



June 15, 2007

Mr. Kevin Martin
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: WC Docket No. 07-52

Dear Chairman Martin and Commissioners,

As the CEO and Founder of The Horror Channel, I appreciate the opportunity to participate in the **Notice of Inquiry (NOI)** on broadband industry practices (**WC Docket No. 07-52**). I respectfully offer my thoughts which are based on my experience with the cable industry.

The Horror Channel is the premier broadband venue for the best horror, terror and suspense programming. The Horror Channel's offers viewers a wide array of programming, including original online series, feature-length films, and genre-oriented music videos. The Horror Channel is on the cutting edge of the emerging new media paradigm. It combines the visual quality of television with the immediacy of video on demand with the unlimited choice of the Internet. It transforms watching TV into an interactive multi-media experience.

Our network has recently entered into agreements with several of the world's leading broadcast-quality Internet television services which will allow our Channel to offer fans licensed and original content. Our viewers can now find programming in a range of genres while they chat with other viewers and interact with features on this new platform helping to create a complete experience.

Investments in broadband infrastructure, technology and applications make a channel like the Horror Channel possible. Without a broadband platform, our network would be entirely at the mercy of the multi-channel video

the horror channel

behemoths who themselves have programming self interests. With faster broadband options, we have become the number one destination for fans interested in the Horror genre.

The new video landscape made possible by broadband is one in which the viewer is in control, not a few large corporate media monsters who decide what you watch and when you watch it. This decentralization of media power spurs innovation, creativity and program variety.

As for the horror genre, there has been a recent outcry by cultural watchdogs who contend that “torture films” are disgraceful, distasteful and dangerous. I will surprise you here and say that I emphatically support these folks and their cause.

It is the mission of the Horror Channel to protect this wonderful genre, whose history of classic films, old fashioned suspense, psychological thrills and spooky frights is suddenly being dragged down by a wave of needlessly graphic, senselessly violent, boringly unoriginal and rampantly produced “almost snuff” films. They are ubiquitous to the point of dulling to the senses of our youth. They are bad for our society and bad for my business.

Consider the irony in this anecdote: A major cable operator once told us they thought ours was the “best idea they’d ever heard of”. But they refused to offer us carriage and they refused to offer us funds. They sent us on a two year *fool’s errand* to “...go get distribution elsewhere and then come back and speak with us.” This cable operator was powerful enough to avoid cooperating with us for two years in hopes that we would simply run out of funds or enthusiasm. We didn’t, and they became frustrated with our pluck. So they went ahead and launched a competing service that they could own and control. And what does this conglomerate-owned horror network air? They peddle the aforementioned, raunchy, morally vapid fare of Hollywood torture films. And they lack the expertise to select and promote better genre filmmaking.

The six-year journey of my company is littered with the roadkill of heartache, debt, loss, monopoly business shenanigans and lack of banking support. Most of this could have been avoided had we simply been given a humble cable distribution deal at the outset of our business. It is because of the



internet that we suddenly have distribution options and hope for furtherance of our brand, and validation of our voice.

Internet protocol television gives independent programmers with an artistic and culturally responsible viewpoint, like The Horror Channel, a voice. The Horror Channel is trying to entertain our audience and change the way people view the genre and any legislation or regulation that would demote us further down the food chain would destroy our hope of elevating the bar for artistic integrity and audience choice.

For the viewer to have that kind of power, someone needs to invest in the very networks which empower the viewer. Fortunately, we are at what could be the start of a boom in broadband investment. As viewers discover the new worlds of video, gaming and interactive media, their appetite for bandwidth and new applications will only grow. It's investment which feeds this beast.

Encouraging investment from new and old sources should be the highest FCC priority. Network operators should be allowed to manage their respective networks to ensure that the video over broadband experience is better than what is available from traditional media sources.

The territory we are entering is uncharted. It will be suspenseful. There will be unexpected twists and surprises. There will and should be experimentation in this marketplace. Some who are afraid of this new environment seek to graft the gothic rules of telephone service onto 21st Century broadband communications. That may be a plot worthy of Mary Shelley, but not the FCC.

Any internet business regulation could fatally inhibit The Horror Channel's ability to maneuver willfully through the difficult terrain of programming distribution. Please proceed cautiously and avoid regulating a distribution lifeline for companies like mine.

Respectfully,

Nick Psaltos



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